



IRVINGTON

UNION FREE SCHOOL DISTRICT

Capital Project/Bond Proposal FAQ **Updated February 14, 2019**

1. What is a capital bond?

A school district proposes a capital bond to its voters to secure funding for larger construction projects including renovation of spaces, additions, and infrastructure repairs such as roofs, boilers and sidewalks. With voter approval, the district then borrows the funds for these projects and repays the funds through annual installment payments over 15-20 years like homeowners do on their personal residences. This process makes the projects more affordable to complete. It is important to note that a capital bond may only be used for capital projects, involving buildings and grounds. It cannot be used for curriculum and instruction, such as buying textbooks, hiring teachers, or adding more school counselors, etc.

2. There have been several discussions at recent board meetings about the district proposing a capital project. What is the amount and what is being considered?

Yes, there have been several discussions and presentations which can be found on the district website. [Click here to view these discussions and presentations](#). Essentially, the District would like to address costly capital needs that can't be funded through the General Fund operating budget due to the limitations of existing revenue sources. The total bond amount has yet to be established, but will likely be in the range of \$17-18 million dollars. The main focus of the projects under consideration will address: 1) Safety and Security, 2) Infrastructure, 3) Energy Efficiency, 4) Modernizing Learning Spaces.

3. Will the project address needs at all the schools?

Yes, there is scope of work for each school, including security enhancements, addressing student learning needs, and infrastructure needs for each building. The Capital Project Planning Committee ("CPPC") that initially gave input on the scope of projects to be undertaken in this bond included representatives of the public with students in each building, plus principals from all buildings, custodial and teaching staff. For a complete list of members, see question 9.

4. What does it mean that the District has a capital bond that is expiring?

The bond associated with the 2004 Capital Project will have the last principal and interest payment in 2021-22. Often that is referred to as a bond or debt that is expiring.

5. How will you arrive at the amount to borrow? What is the impact to taxpayers?

The District's goal is to maintain the amount of borrowing to align with our current debt payments and thus have a "budget neutral" or "tax neutral" bond. Each bond has a distinct repayment schedule. The District will be paying off one of our bonds in the next few years.

The District would look to establish a financing schedule to match a similar payment schedule as the bond that will be paid off. Thus, the District would not have to budget additional funds in the annual general fund budget to pay for a voter approved capital project. The term budget or tax neutral means that the the new payments would align with the current revenue sources of our budget and introduce no additional taxes as a result of the proposed capital bond projects. The estimated amount we can borrow and achieve depends on the interest rate and anticipated state aid assistance.

6. How will my taxes be impacted if we don't have a new bond?

If the District does not plan for a new capital project and resulting bond, the funds budgeted for debt payments will be reduced by approximately \$1.2 million per year beginning in 2022-23. If all of those funds went to reduce the levy, at the existing assessed valuation as of today, the tax rate would be reduced by approximately **40 cents per year**. However, some of these funds would need to be budgeted for capital expenses that need to be addressed before major issues result, such as boiler and roof replacements. The longer the District waits to address infrastructure concerns by deferring maintenance, the more likely costly repairs will have to be made, resulting in increased annual expenditures to maintain a failing infrastructure until the work can be completed. Additionally, it would be difficult for the District to address the critical security improvements and modernization of learning spaces within the General Fund budget even if we allocated the full \$1.2 million annually toward capital expenses. Capital projects over \$10,000 can be aidable in an annual budget, however, these projects then require full architectural drawings and SED approval. The timeframe for SED approval is typically outside the scope of a one-year operating budget period. Thus, structuring projects together through a bond maximizes our aid.

Additionally, the decrease in debt will have an adverse effect on the tax cap formula and could potentially result in a negative levy growth for the year of the changing debt levels. Using today's tax cap formula numbers, for example, and decreasing the capital exclusion by the amount of the retiring debt, our allowable levy percent increase would go from an increase of approximately 3.2% to a .25% decrease. This would severely impact our ability to pay for instructional components of our budget as well as other areas.

7. Would security infrastructure funding be better spent on supporting student mental health and healthy choices?

In addition to the capital bond finance, which is required to be used specifically for facilities and grounds, the District has also been improving supports for students. Two recent presentations related to long-range planning and a round table discussion about social emotional learning addressed the issue of improving student support. [To view the presentation, please click here](#) and [to view the video of the round table discussion, please click here](#). The upcoming March 5th annual budget planning presentation will include new considerations for such supports.

8. What preparatory work on the bond proposal has already been done?

To support the Capital Project's development, the Board hired a new architect, H2M, and a construction manager, Triton Construction, to provide the necessary professional expertise and guidance. Then, in the Spring of 2018, the District sought volunteers from the school community to serve on the Capital Project Planning Committee ("CPPC"). The focus of the CPPC was to define scope of work and get feedback from a cross-section of the community. CPPC meetings were held on May 2, May 9, May 21 and June 6, 2018. The CPPC is comprised

of Board of Education members, staff and administration representatives, and community members who have expertise in finance, construction, design and security. The CPPC is also supported by the District's architectural firm H2M, a construction manager, and security and technology consultants. After needs were generated by the CPPC and existing facility reports such as our Building Condition Surveys were reviewed, the architects initiated preliminary design work to provide options to meet the capital needs. Currently, the Buildings and Grounds Committee of the Board is collaborating with District administration, the architectural firm and construction manager to review proposals and costs to determine what should be recommended to the Board and community. In the past few weeks, the Buildings and Grounds Committee has brought the Capital Bond plan back to the CPPC and the rest of the school community to seek more feedback on designs, and to ensure that learning and facilities goals are being attained.

9. Who were the members of the Capital Project Planning Committee?

Steven Amy - Edutek, District's IT Consultant

Susan Brunenavs - PTSA

Veronica Byrnes - H2M Architects

Christine Chan - Parent/Community Representative

Joyce Chapnick - Principal, Main Street School

Dave Cohen - Principal, Irvington High School

Neil Cole - Custodial Unit Representative

Brian Friedman - Board of Education

Deborah Hargraves - Board of Education

Dr. Kristopher Harrison - Superintendent of Schools

Jeanine Hart - IFA Representative

Lovetta James - IFA Representative

Maggie Kadro - PTSA

Maria Kashkin - Board of Education

Gary Knowles - Director of Facilities

Dr. Raina Kor - Assistant Superintendent

Deborah Mariniello - Principal, Dows Lane School

Doug McClure - Parent/Community Representative

Eric Neiler - H2M Architects

Megan O'Grady Holz - H2M Architects

Julie Orlando - CSEA Representative

Andy Rafal - Parent/Community Representative

Kevin Sawyer - Triton Construction

Rocco Sollecito - Parent/Community Representative

David Sottile - Principal, Irvington Middle School

Carol Stein - Project Leader, Assistant Superintendent

Howie Stern - Parent/Community Representative

10. When will the bond referendum be held?

The District is currently planning a separate referendum question on the same date as the 2019-20 budget vote on May 21, 2019 (held at Main Street School). Once the Board approves the scope of work, the SEQR (State Environmental Quality Review) process must be finalized. Bond referendum votes can be held separately from the overall budget vote or can be on the same day. Given our current timeline with scope and SEQR, a May vote is achievable.

11. How much design detail is available now? Have all the stakeholders been involved in the design and planning?

Per NYS Education Law, until voters approve a capital project, the design work can only be to determine scope of work for voter information and to estimate costs. The true architectural and construction design detail work begins after the vote. While the District has been involved stakeholders through the Capital Project Planning Committee (CPCC), it will continue to invite stakeholder involvement in design detail upon a successful vote to proceed in the next phase.

12. Does the District need to have Environmental Assessment Performed?

The District is required to conduct a State Environmental Quality Review (SEQR) in which our architects are engaged and in the process of completing. The Board will also need to adopt a SEQR resolution prior to the vote.

13. How much will the State reimburse us or give us aid for this project? What is our building aid ratio?

New York State uses building aid to reimburse districts for a portion of their voter approved projects. Typically this includes any spaces tied to instruction. The District will look to maximize building aid throughout the recommended scope of work. The District's current building aid ratio is 29.4%, but new projects will be subject to a changing aid ratio. The formula considers the Actual Valuation and our Resident Weighted Average Daily Attendance. We are assuming a building aid ratio of 17.6% for our borrowing estimates, less than the District's previous aid ratio and based on the most recent data we have available. However, it is a changing target each year until the project's final cost reports are submitted.

14. What estimated portion of the bond is reimbursable/aidable in its present iteration?

Currently, the architects are estimating that 90% of the proposed projects will be aidable. The district is conservatively using a 75% aidable estimate for the purposes of determining the amount we can borrow. The aid we receive offsets the debt payments we must make.

15. What is the project timeline once the referendum passes?

An estimated timeline after the successful vote would likely be:

June 2019 - December 2019: H2M (architect) prepares detailed construction documents for submission to the State Education Department (SED) for approval

January 2020 - October 2020 : The SED reviews, approves and issues building permits. We may be able to utilize the SED Fast Track approval process for some of the projects if the approval queue remains lengthy (currently up to 40 weeks)

November 2020 - March 2021 : Bidding and Awards

June 2021 - Large-scale construction starts

Some smaller projects might be able to begin in Summer 2019 and 2020 as less involved construction documents and/or SED review is required.

16. What is the existing condition of the storage shed (old modular classroom) behind Dows Lane and why can't the District continue to use that as a storage facility?

The PTSA modular is in poor condition and is not structurally sound. The flooring is compromised and unsafe. Most modular buildings have a 10-15 year lifespan, and this particular modular is nearing 30 years of age. Additionally, the location is not ideal, as it requires trucks to drive around the school on the grass near classrooms and outdoor green space. Removing this building and constructing another facility will provide for long-range needs and will remove a failing structure from the Dows Lane campus. Its removal will also allow natural light and Hudson River views in several classrooms.

17. What additional locations were considered to house facility equipment?

The following other locations were reviewed:

MS/HS Campus:

- Shot put/discus area just west of East Field.
 - Construction at this location would affect the Track and Field program as it is currently the site of field events. Additionally, this space was newly leveled, seeded, and Track and Field equipment was installed as part of the 2014 capital bond project.
 - Construction here would require a proper road to be built and extensive drainage work would be required once blacktop was installed.
- Behind High School - (southwest corner of District property, on top of the hill)
 - A 12-inch water main exists, running through that property on which a building can't be constructed.
 - It would interfere with emergency vehicle access to the south side of the campus buildings.
- Area behind HS – cafeteria delivery area to CMS.
 - Initially determined to be too small to create a proper sized facility.
 - Existing utility lines complicate and increase construction costs.
 - The need to maintain emergency vehicle clearance as currently this is the primary means for access to the campus buildings from the south side as well as necessary access to the quad area.

- o Pitch and slope of land may require construction of a retaining wall which can be costly.
 - o Existing outdoor storage would have to be redesigned.
- Ferris Street property
 - o Increased traffic on Ferris Street which is already a very congested, dead-end street located near the police department.
 - o Project expenses were far more costly than other locations due to constraints in building lot size and design factors since it is located in the downtown historic district.
- Extending Theater-Gym building
 - o Parking would be significantly reduced, and thus a parking garage would have to be explored or the upper student parking lot would have to be paved and enlarged creating possible drainage concerns.
 - o Emergency egress from the theater would need to be revised (if possible).
- The District met with Village officials to discuss sharing maintenance/storage space within their current facilities and at other offsite locations
 - o Current village facilities are inadequate for their needs. The Village stores equipment outdoors.
 - o We discussed the potential of buying or leasing space in a shared-service effort. Currently, no suitable property is available in Irvington.

18. Will the cherry trees be affected?

The current proposed plan was not to remove any existing trees.

19. Will the Board reconsider the inclusion of the proposed Facility garage and or the location of the garage?

The Board is actively listening to all the community input/feedback on this important topic and will be considering its inclusion and any other possible locations. The Board has not yet finalized the scope of work to be included in the project.

20. Will there be further community involvement and presentations?

Yes, the District has held several community forums to present the scope of work. Future meetings will be posted on the website and advertised in the District newsletter.

21. Where can I address my questions?

Please email your questions to CapitalBond@IrvingtonSchools.org